

NEWS FROM TENNESSEE ECD

DEVELOPMENTS

Volume 2, Issue 1

Powering UP

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Trend of Solar Investment in TN

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Comments from Commissioner

Matt Kisber



As commissioner of Tennessee's Department of Economic and Community Development, I routinely field questions about our state's successful economic development strategy. People are often impressed by the high-profile projects that grab headlines, and they want to know more about our industrial recruitment strategy.

I've found that my answer is not always what people are expecting. Rather than pontificating about site selectors and aggressive incentives and closed-door meetings, I like to bring the conversation a little closer to home. High school graduation rates, high speed Internet access and modern water and sewer infrastructure: fundamentals like these are where economic growth truly starts.

The fact of the matter is, sustainable economic development is always built on the shoulders of deliberate, successful community development. Period. A community simply cannot expect to recruit millions of dollars in corporate investment without a trained workforce, or ample housing or a vibrant downtown district. Particularly in today's challenging economy, the communities that succeed in the economic development arena will be those that have invested time and resources in laying a solid foundation for growth.

At ECD, we believe that providing communities with the assistance they need to develop responsibly is a core aspect of our mission. That's why we offer a fulltime support staff that is distributed across the state and is dedicated to helping communities achieve everything from designing a functional and professional Web site to establishing an active planning commission.

Our Tennessee Three-Star, Tennessee Main Street and Retire Tennessee Programs work with community leaders to achieve specific goals such as crossing established development benchmarks, revitalizing their historic central business district and attracting retirees looking to relocate.

Though recognizable companies may grace the news media more often than our community development initiatives, I want to take the time to remind all of our stakeholders across the state of the importance of this often overlooked side of the economic development coin. Far from being relegated to an afterthought, the work of our community developers and their local partners is integral to not only the efforts of ECD, but also the very health of Tennessee's economy. We at the state appreciate the partnership of our local leaders and look forward to continued success stories arising across the state from our community development foundations. ■

ECD In Brief

Grants Improve Community Livability

In March, Governor Phil Bredesen and ECD Commissioner Matt Kisber named 17 communities across the state as recipients of nearly \$7 million in Appalachian Regional Commission (ARC) Grants. The ARC Grants allow communities to improve infrastructure in areas ranging from sewer systems and lines to community center improvements, water plant rehabilitations to economic development plans.



Tennessee Ranks High in Governor's Cup



Tennessee has again been ranked among the top states in the nation in Site Selection magazine's annual Governor's Cup rankings for its economic development performance in 2009, based on capital investment projects. The economic development publication put the Volunteer State at No. 5, the highest ranking of any Southeastern state.

ECD Awards Education Grant to UT-IPS

ECD Commissioner Matt Kisber announced a grant to the University of Tennessee Institute for Public Service (IPS) that will allow the organization to award \$30,000 in Three-Star scholarships for continued economic development education for city and county elected officials. Twenty-eight rural Tennessee counties and cities will be eligible to apply for the scholarships.



ECD Commissioner At Work

- Jan. 19:** Tennessee Chamber of Commerce and Industry Public Affairs Conference in Nashville
- Jan. 20:** Nashville Capital Network and NCN Angel Fund I, LP Annual Meeting in Nashville
- Jan. 26:** Fayetteville Rotary Club Meeting in Fayetteville
- Jan. 28:** Brownsville WestStar Meeting in Brownsville
- Feb. 1:** Governor Phil Bredesen's Annual State of the State Address in Nashville
- Feb. 3-4:** RETECH 2010 Renewable Energy Technology Conference and Exhibition in Washington D.C.
- Feb. 10:** TEDC/ECD Day on the Hill Luncheon in Nashville
- Feb. 16:** Signing Ceremony for the Tennessee Farmland Preservation Memorandum of Understanding in Nashville
- Feb. 17:** Nashville Area Chamber of Commerce Partnership 2020 Leadership Cabinet Meeting in Nashville
- Feb. 25:** Norcom Ribbon Cutting Ceremony in Sparta
- March 3-5:** Wall Street Journal ECO:nomics Conference in Santa Barbara, Calif.
- March 9:** Tennessee Municipal League Legislative Conference in Nashville
- March 10:** Leadership Chattanooga Meeting in Nashville
- March 10:** East Memphis Rotary Club Meeting in Memphis
- March 11:** Nashville Area Chamber of Commerce Partnership 2010 Full Investor Meeting in Nashville
- March 11:** Leadership Lauderdale Meeting in Nashville
- March 26:** Alcoa Inc. Can Reclamation Dedication Ceremony in Alcoa
- March 30:** Nashville Area Chamber of Commerce Partnership 2020 Leadership Cabinet Meeting in Nashville

Three-Star, TNCPE, Commissioner Kisber Honored at Banquet

The Tennessee Three-Star Program and the Tennessee Center for Performance Excellence received a nod this year from the Southern Growth Policies Board for their unique partnerships. ECD Commissioner Matt Kisber announced at the Excellence in Tennessee Award Banquet that the organizations will receive a 2010 Innovator Award in June.

"I know there could not be a more deserving honoree, and I congratulate Three-Star and TNCPE for a job well done," Commissioner Kisber said. "We at the state value this partnership immensely, and their demonstrated commitment to excellence bodes very well for the long-term economic health of Tennessee."

Based on the success of the partnership between Three-Star and TNCPE, Commissioner Kisber announced that a grant of \$100,000 to TNCPE will extend the partnership, which was set to expire this year. The funding will insure that communities continue to have access to TNCPE's program evaluation and improvement tools at no cost.

In addition to announcing the Innovator Award and the continued partnership between Three-Star and TNCPE, Commissioner Kisber received an honorary resolution and award from TNCPE for his leadership in establishing the partnership.

"Commissioner Kisber's groundbreaking approach to economic development – integrating proven business methods at the community level via TNCPE and the Three-Star program – deserves to be publicly recognized and benchmarked," said Rawls.



ECD Commissioner Matt Kisber speaks at the 2010 Excellence in Tennessee Banquet, where he announced that Tennessee's Three-Star Program and the Tennessee Center for Performance Excellence will receive a Southern Growth Policies Board Innovator Award for their partnership."

Wacker Chemie Winner of Trade & Industry Development Award

The publishers of Trade & Industry Development magazine named Wacker Chemie and the Tennessee Department of Economic and Community Development among the winners of its 2010 Corporate Investment & Community Impact (CiCi) Awards. The project was chosen as one of 15 in the Corporate Investment category for the Munich-based company's \$1 billion investment and forecasted creation of 500 jobs in Bradley County.

"We are pleased to be recognized for the Wacker Chemie project, as it continues to spotlight Tennessee's growing reputation for innovation in the development and manufacture of clean energy technologies," said Matt Kisber, commissioner of the Tennessee Department of Economic and Community Development. "This acknowledgement by Trade & Industry Development demonstrates that Tennessee continues to be a state of economic progress and that we are committed to bringing corporate investment to the state."

The renewable energy company's decision in February 2009 to locate in Tennessee came in part due to the state's well-developed infrastructure and the cooperative partnership of state agencies, local government and the local chamber of commerce.

The Wacker Chemie project was one of only 30 applicants selected from a pool of more than 1,000 submissions for awards in two categories – Corporate Investment and Community Impact.



From left, Dr. Rudolph Staudigl, president and CEO of Wacker Chemie, ECD Commissioner Matt Kisber, Tennessee Governor Phil Bredesen and Dr. Peter-Alexander Wacker, chairman of Wacker Chemie AG's Supervisory Board, celebrated Wacker's announcement in Cleveland in March 2009.



Confluence Solar Technical Advisor and Co-Founder Dr. John Deluca, Governor Phil Bredesen, ECD Commissioner Matt Kisber and Senator Randy McNally at the announcement in January that Confluence Solar will locate a \$200 million manufacturing facility in Anderson County and create 250 jobs.

PoweringUP

Confluence Solar Continues Trend of Solar Investment in TN

Tennessee's roster of solar energy-related companies got a little deeper this quarter. Leaders of Missouri-based Confluence Solar joined Tennessee Governor Phil Bredesen and ECD Commissioner Matt Kisber to announce the company will locate a \$200 million manufacturing, warehousing and distribution facility in Clinton, Tenn. The investment will create 250 new jobs.

The facility will produce premium quality mono-crystal silicon ingots for photovoltaic solar power generation. The company's HiCz™ brand products increase the efficiency of solar cells by 15 percent or more, helping manufacturers of solar panels generate electricity more efficiently at a cost equivalent to or better than can be done using multi-crystal silicon ingot.

"Two years ago, we set upon a strategy to make Tennessee a significant player in the solar industry," Governor Bredesen said. "Since then, we've seen more than \$2 billion in capital investment, more than 1,000 jobs created, and, with the development of the Solar

Farm and existing solar companies located in West Tennessee, we have truly created a statewide solar footprint. The announcement today by Confluence Solar is further proof that Tennessee is recognized as a leader in renewable energy and that a new economic engine is emerging in our state."

(See Powering Up, page 6)



Confluence Solar will produce premium quality mono-crystal silicon ingots used to manufacture such products as solar panels.

Top 10 Job Creation Projects - First Quarter 2010

Accredo Health, Inc. Memphis – Expansion

What they do: Wholesale specialty pharmaceutical drugs.
Jobs Created: 150 new jobs.
Investment: None.

Cobb Vantress Macon County – New Project

What they do: Breed poultry broiler.
Jobs Created: 170 new jobs.
Investment: \$26 million.

Confluence Solar Clinton – New Project

What they do: Manufacture mono-crystal silicon ingots.
Jobs Created: 250 new jobs.
Investment: \$200 million.

Genlyte Thomas Group, LLC Sparta – Expansion

What they do: Manufacture industrial lighting.
Jobs Created: 129 new jobs.
Investment: \$3 million.

Modine Manufacturing Company Lawrenceburg – Expansion

What they do: Manufacture heat transfer equipment.
Jobs Created: 200 new jobs.
Investment: Confidential.

Nordyne Dyersburg – Expansion

What they do: Manufacture air conditioning units.
Jobs Created: 120 new jobs.
Investment: Confidential.

Nyrstar Gordonsville – Expansion

What they do: Mine zinc.
Jobs Created: 310 new jobs.
Investment: None.

S L America Corporation Clinton – Expansion

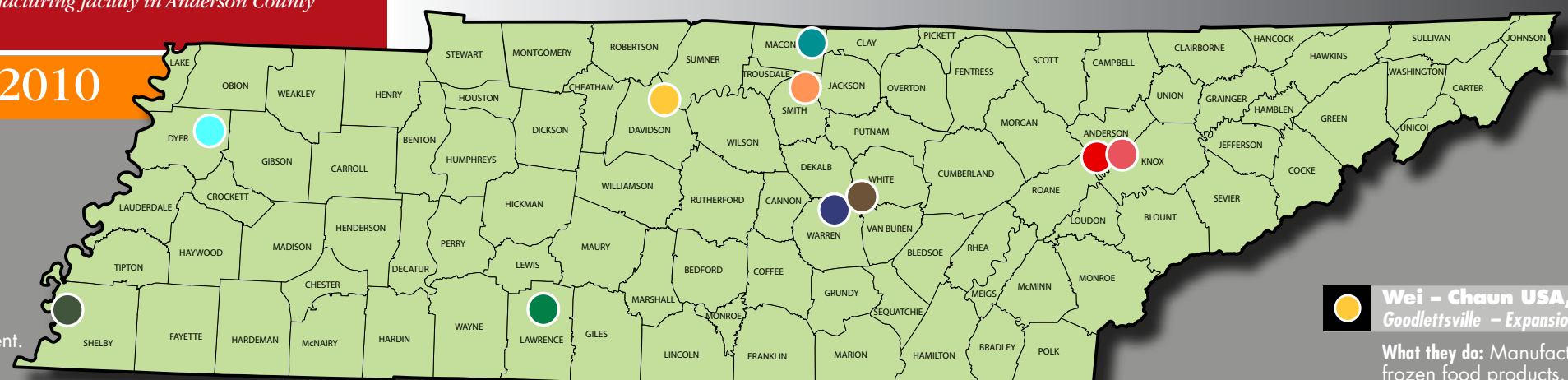
What they do: Manufacture shifters and parking brakes.
Jobs Created: 300 new jobs.
Investment: \$35 million.

Yorozu Automotive Tennessee Morrison – Expansion

What they do: Automotive stamping.
Jobs Created: 105
Investment: Confidential.

Wei – Chaun USA, Inc. Goodlettsville – Expansion

What they do: Manufacture frozen food products.
Jobs Created: 317 new jobs.
Investment: Confidential.



Communities Chosen for New Downtown Revitalization Program

Ten of Tennessee's historic communities will get a leg up in their downtown revitalization efforts thanks to a new community development program: Tennessee Downtowns.

The selected communities are: Celina, Erwin, Jefferson City, Martin, Milan, Mt. Pleasant, Monterey, Paris, Selmer and Sweetwater.

"Tennessee Downtowns represents a valuable opportunity for communities to receive meaningful assistance for revitalizing their central business districts, which serve as a foundation for sustainable economic development," Commissioner Kisber said. "We applaud the selected communities for their initiative and look forward to partnering with them through this unique improvement process."

The 10 selected communities are each home to downtown commercial districts established at least 50 years ago and have demonstrated their readiness to organize efforts for downtown revitalization based on the successful "Main Street Four-Point Approach to Downtown Revitalization."

Tennessee Downtowns is part of ECD's Tennessee Main Street Program and will award reimbursable innovation project grants of up to \$15,000 to participating communities. The successful applicants will also receive an 18-month program of technical assistance, which includes training on downtown revitalization and historic preservation, an introductory site visit and attendance at a two-day downtown revitalization workshop. Program directors in Tennessee Main Street communities will also mentor and assist Tennessee Downtowns in their revitalization efforts.



Tennessee Wins Federal Race to the Top Grant in First Round

Tennessee's education system received a substantial shot in the arm this spring when Governor Phil Bredesen announced that the state is one of only two selected to receive millions of dollars in the federal government's Race to the Top competition.

Tennessee will receive approximately \$500 million to implement its comprehensive school reform plans over the next four years.

"This is a landmark opportunity for Tennessee," said Bredesen. "Our success in Race to the Top speaks to the commitment we've made to meaningful and significant improvement in public education, and the funds provided by the grant will carry us

forward in a dramatic and positive direction."

Tennessee requested \$501 million in its application. As one of the next steps in the process, the U.S. Department of Education will complete negotiations with successful states on their Race to the Top contracts to finalize award amounts.

Peer reviewers awarded the highest scores to Delaware and Tennessee from among 16 finalists. According to the U.S. Department of Education, they awarded Delaware and Tennessee high marks for the commitment to reform from key stakeholders, including elected officials, teacher's union leaders and business leaders. In both states, all school districts committed to implementing Race to the Top reforms.



Governor Bredesen speaks to a student at the announcement that Tennessee will receive \$500 million in federal education funding through the competitive Race to the Top grant program.

Powering Up (continued from page 4)



Governor Phil Bredesen at the Confluence Solar announcement in January.

"Tennessee's nationally recognized business climate and their focused solar strategy, along with Clinton's close proximity to Oak Ridge National Laboratory and the new Solar Institute, made Tennessee the perfect location for our facility," said Tom Cadwell, CEO and

co-founder, Confluence Solar. "The number of solar industry leaders establishing operations here and the intellectual energy surrounding solar technology provides our company, current investors, and future investors with the confidence that Tennessee is the place Confluence Solar needs to be."

"When both Hemlock Semiconductor and Wacker Chemie, AG announced plans to locate in our state, we said Tennessee would be looking to expand the solar industry throughout the value chain," Commissioner Kisber said. "The announcement today by Confluence Solar is proof that strategy is working and that Tennessee is now a major player in a growing industry."

The company will develop its facility on a 25-acre site in the Clinton I-75 Industrial Park on Frank Diggs Drive. Initial plans call for a 200,000 square foot building. With its investment, Confluence Solar will qualify for statutory incentive programs including FastTrack Job Training Assistance, FastTrack Infrastructure Development, the Tennessee Jobs Tax Credit and the Super Jobs Tax Credit among others.

Planning is underway for the 57th Annual ECD Governor's Conference!

This year's theme is Vision Into Action!

- Informative Sessions
- Dynamic Speakers
- Networking Opportunities

Check our Web site for the most up-to-date information :

www.tn.gov/ecd



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Check out next quarter's Developments for updates on:

• SEUS-CP Conference



• International Update



• EECBG Grants





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